

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE ADMINISTRATION
OLYMPIA, WASHINGTON**

To: Pharmacists
Managed Care Plans
Regional Administrators
CSO Administrators

Memorandum No. 01-08 MAA
Issued: March 15, 2001
Supersedes: 97-60 MAA

From: James Wilson, Assistant Secretary
Medical Assistance Administration

For Information Call:
1-800-562-6188

Subject: Updates to the Prescription Drug Program

The purpose of this memorandum is to provide reimbursement updates to the Medical Assistance Administration's (MAA) Prescription Drug Program. This memorandum also supersedes 97-60 MAA by placing Clozaril 100 MG Tablets in the State Maximum Allowable Cost (SMAC) Program and Clozaril 25MG Tablets in the Automated Maximum Allowable Cost (AMAC) Program.

**Maximum Allowable Cost (MAC) Updates
(Effective with dates of service on or after April 16, 2001)**

Drug Name	Strength	Form	MAC Per Unit
------------------	-----------------	-------------	-------------------------

The following drugs are REMOVED from the MAC list:

ISOSORBIDE DINITRATE	40 MG	TABLET SA
PROPANTHELINE	15 MG	TABLET

The following drug is being ADDED to the MAC list:

CLOZAPINE	100 MG	TABLET	1.70000
-----------	--------	--------	---------

The following drugs received a RATE CHANGE:

CLONAZEPAM	1 MG	TABLET	0.22000
CLONAZEPAM	.5 MG	TABLET	0.18000
GLYBURIDE	5 MG	TABLET	0.18000
HALOPERIDOL DECANOATE	50 MG	MILLILITER	16.12000
HALOPERIDOL DECANOATE	100 MG	MILLILITER	22.73000
RANITIDINE HCL	150 MG	TABLET	0.08000



Note: The unit cost relates to the form in which the drug is distributed (e.g., per tablet or capsule, milliliter, gram, packet, or vial). The reimbursement rate listed for each drug entity applies to brand as well as generic products. Pharmacists who dispense the brand product without prior authorization (based on medical necessity) will receive the MAC reimbursement.

The MAC fee schedule is to be used for pricing information only. Drugs listed in this fee schedule are subject to prior authorization or other coverage rules contained in MAA's Prescription Drug Program Billing Instructions.

Bill MAA your usual and customary charge using the complete 11-digit NDC from the dispensing container. Reimbursement is the billed charge or the maximum allowable cost plus dispensing fee, whichever is less.

Federal Upper Limit (FUL)

Effective February 19, 2001, MAA implemented the new FUL pricing updates.

MAA's total reimbursement for a prescription drug must not exceed the lowest of:

- (a) Estimated acquisition cost (EAC) plus a dispensing fee;
- (b) Maximum allowable cost (MAC) plus a dispensing fee;
- (c) Federal Upper Limit (FUL) plus a dispensing fee;
- (d) Actual acquisition cost (AAC) plus a dispensing fee for drugs purchased under section 340 B of the Public Health Service (PHS) Act and dispensed to medical assistance clients; or
- (e) The provider's usual and customary charge to the non-Medicaid population.

[WAC 388-530-1300]

The FUL list is to be used for pricing information only. For current updates, please visit HCFA's website at www.hcfa.gov/medicaid/drugs/druginfo.htm. Drugs on this list are subject to prior authorization or other coverage rules contained in MAA's Prescription Drug Program Billing Instructions. **Please remember that if any of the drugs on the FUL list also appear on the MAC list, MAA reimburses the lower of EAC, MAC, FUL, or usual and customary charge.** Bill MAA your usual and customary charge using the complete 11-digit NDC from the dispensing container.

Attachments:

- ✓ Replacement page J.1-J.2 is attached for MAA's Prescription Drug Program Billing Instructions, dated December 1998; and
- ✓ Federal Upper Limit list.